

Eligible Activities

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The activities listed below are eligible for the NAP program. Each category has unique factors that contribute to its competitiveness. IHCD does not give priority toward any certain activity.

- Affordable Housing Construction or Rehabilitation
- Child Care Services
- Counseling Services
- Downtown Revitalization
- Educational Assistance
- Emergency Food Assistance
- Emergency Shelter Housing
- Job Training
- Medical Care Services
- Neighborhood Organizational Rehabilitation
- Recreational Facility
- Transportation Services

Eligible Costs

Funds leveraged with NAP tax credits may only be used to pay for the following expenses:

- Salaries and benefits of an individual who is employed by the applicant and provides direct service to the applicant's beneficiaries via one of the activities shown above (For example: Case Managers or Counselors. Consultants, Secretaries, Receptionists are not eligible. NAP leveraged funds can be used to pay for the portion of an Executive Director's salary that is dedicated to the proposed NAP activity).
- Basic construction materials (Limited to stationary items in a home and items of necessity rather than luxury. Furniture, appliances, and landscaping are not eligible with the exception of refrigerators and stoves).
- Skilled labor for construction projects (For example: Plumber, Electrician, Construction Manager).

Funding Limitations

- Applicants may apply for **up to \$50,000** annually in tax credits. The minimum tax credit request is \$1,000.

*Note: Please round tax credit requests to the nearest dollar.

Award Term

All tax credits must be distributed by the fourth quarter report deadline. This date will be provided in the Implementation Manual for award recipients. Funds leveraged with NAP tax credits must be expended within a 24-month term.

Religious Organizations

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the NAP program. Organizations that are directly funded under the NAP program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or location, from the assistance funded under this part, and participation must be voluntary for the beneficiaries of the assistance provided.

A religious organization that participates in the NAP program will retain its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct NAP funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities, without removing religious art, icons, scriptures, or other religious symbols. In addition, a NAP-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

An organization that participates in the NAP program shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

NAP funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. NAP funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. Where a structure is used for both eligible and inherently religious activities, NAP funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to NAP funds in this part. Sanctuaries, chapels, or other rooms that a NAP-funded religious congregation uses as its principal place of worship, however, are ineligible for NAP-funded improvements.